

## Wireline Broadband Internet Access

- The Commission is right to set both nationwide broadband availability and competition as its goals for broadband policy.
  - There is variety among rural ILECs in the proper timing and balancing of the costs and benefits of preserving and reducing regulation.
  - The FCC should ensure that current broadband transmission services remain common carrier services for rate of return ILECs.
  - Across-the-board redefinition or reclassification of wireline broadband Internet access as an "information service," subject only to Title I (if any) regulation, is a reckless and shortsighted way to remove regulatory constraints when are no longer necessary.
    - Redefinition abandons the statutory tool of universal service support to finish the job of ensuring nationwide broadband Internet access when the limitations of market-driven availability are discernable.
    - Redefinition deprives rate-of-return ILECs of
      - + NECA tariffing and pooling,
      - + current cost allocation and cost recovery mechanisms,
      - + the interstate rate of return, and
      - + the flexibility to relax regulation gradually
- for broadband Internet access provided by rural ILECs.
- Non-dominant regulation and partial, tailored forbearance provides the flexibility to reduce regulation without needlessly jettisoning statutory authority that may prove necessary.
  - Title I regulation is an uncertain tool, never blessed by Congress, that the FCC has developed to fill the regulatory gaps left when it deregulates by redefinition.
  - Competitive neutrality requires that all broadband access providers, using all platforms, shoulder the same universal service contribution responsibilities.

**Bottom line recommendation:** The FCC can best fulfill both its universal service and its pro-competition and deregulation goals by retaining and judiciously forgoing its regulatory powers, as appropriate, rather than throwing them away by defining them out of existence.